

SENATE BILL No. 113

By Senator Steineger

2-7

1 AN ACT concerning the conveyance of real estate and improvements
2 thereon; relating to the university of Kansas hospital.

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4 *Be it enacted by the Legislature of the State of Kansas:*

5 Section 1. (a) The university of Kansas hospital authority is
6 hereby authorized and empowered, for and on behalf of the state of
7 Kansas, to sell and convey all of the rights, title and interest in the tracts
8 of real estate, and any improvements thereon which the state of Kansas
9 owns which are commonly known as the university of Kansas hospital,
10 for an amount of not less than \$600,000,000. The provisions of this
11 section shall not apply to the university of Kansas medical center.

12 (b) Any such conveyance of such real estate and assets to the
13 buyer shall be conditioned upon the execution of a binding agreement
14 between the buyer and the authority which provides that effective on the
15 transfer date and thereafter, the buyer shall assume responsibility for and
16 shall defend, indemnify and hold harmless the state board of regents and
17 the state and its officers and directors with respect to:

18 (1) Liabilities, debts and duties of the university of Kansas
19 hospital authority pursuant to contracts, agreements and leases for
20 commodities, services and supplies utilized by the university hospital,
21 including real property leases;

22 (2) claims related to the employment relationship between
23 employees of the authority and the authority on and after the transfer date
24 under this act;

25 (3) claims for breach of contract resulting from the authority's
26 action or failure to act on and after the transfer date under this act; and

27 (4) claims related to the authority's errors and omissions
28 including, but not limited to: Medical malpractice; directors and officers
29 liability; workers' compensation; automobile liability; and premises,
30 completed operations and products liability.

31 (c) No sale and conveyance of real estate and improvements
32 thereon as authorized by this section shall be made by the university of
33 Kansas hospital authority until the deeds and conveyances have been
34 reviewed by the attorney general and, if a warranty deed is to be the
35 instrument of conveyance, a title review has been performed or title
36 insurance has been obtained and the title opinion or the certificate of title

1 insurance, as the case may be, has been approved by the attorney general.
2 In the event that the university of Kansas hospital authority determines
3 that the legal description of any parcel described by this act is incorrect,
4 the university of Kansas hospital authority may convey the property
5 utilizing the correct legal description but the deed conveying the property
6 shall be subject to the approval of the attorney general.

7 (d) Conveyance of such rights, title and interest in such real
8 estate shall be executed in the name of the university of Kansas hospital
9 authority by its chief executive officer. When the sale is made, the
10 proceeds thereof shall be remitted to the state treasurer in accordance
11 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon
12 receipt of such remittance, the state treasurer shall deposit the entire
13 amount in the state treasury and all proceeds shall be credited to the
14 Kansas public employees retirement fund, created in K.S.A. 74-4921, and
15 amendments thereto.

16 (e) The provisions of K.S.A. 75-3043a or K.S.A. 2010 Supp.
17 75-6609, and amendments thereto, shall not be applicable to the real
18 estate sale authorized by this section.

19 (f) Upon the effective date of such conveyance pursuant to this
20 section, the university of Kansas medical center shall be known as the
21 Kansas life sciences research center. Whenever the university of Kansas
22 medical center, or words of like effect concerning such medical center, is
23 referred to or designated by a statute, contract or other document, such
24 reference or designation shall be deemed to apply to the Kansas life
25 sciences research center.

26 (g) No abatement of ad valorem property taxes nor any ad
27 valorem property tax exemption shall be granted for the real estate and
28 improvements conveyed pursuant to this section by the governing body
29 of any city or the board of county commissioners of any county.

30 (h) The buyer shall continue to maintain charitable medical
31 services within the Kansas life sciences research center.

32 (i) The buyer shall honor all existing contracts, including those
33 with university of Kansas medical center.

34 Sec. 2. This act shall take effect and be in force from and after its
35 publication in the statute book.

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